

May 13, 2015

Barry Wood
Director Assessment Division
Department of Local Government Finance
Indiana Government Center North
100 North Senate Ave. N1058 (B)
Indianapolis, IN 46204

Dear Barry,

We have completed the 2015 ratio study for Clay County's annual adjustment. We used every sale that was deemed valid for the period January 1, 2013 – February 28, 2015 including multi parcel sales and sales that were vacant at the time of sale but are now improved. The market in Clay County is static, the sales that are occurring, outside of family and forced sales, are not increasing but stable exhibiting more typical marketing times. We followed approved methods of reviewing parcels sold over the last couple of years to test for the necessity of time adjustments to the 2012 sales used. Given the limited number of occurrences of the same parcel selling in consecutive years and the knowledge of the static nature of property sales in Clay County, we determined that no time adjustment was necessary.

Residential Vacant and Improved

Given the limited number of vacant sales, 10 validated sales, we resorted to utilizing the land valuation to building valuation ratio methodology to verify the accuracy of the land values. The land values for improved residential parcels are consistently within 16%-22% with the median at 17%. No factor was applied to the land values. New neighborhoods have been created for new subdivisions, row-type dwellings and mobile home parks and factors applied when necessary to bring the neighborhoods within IAAO standards. Foreclosed sales have been reviewed by neighborhood to determine if that was the normal market for the area.

For improved residential parcels, we concluded the following: Brazil Twp had an adequate number of sales and could stand on its own; Cass Twp, Jackson Twp, Sugar Ridge Twp, and Washington Twp were combined based upon location and similarity of economic characteristics; Dick Johnson Twp and Van Buren Twp were combined based upon location and similarity of economic factors; Harrison Twp and Lewis Twp were

combined based upon location and similarity of economic factors; Perry Twp and Posey Twp were combined based upon location and similarity of economic factors.

Commercial and Industrial Vacant and Improved

The majority of Commercial and Industrial parcels are in one township and a very low level of sale activity is taking place. Because of the lack of sales for Commercial and Industrial properties, 11 validated sales, the extrapolation method and the land value to building value ratio were used to verify that the land was reasonable for the market. No adjustment was made to the land and no trending was performed on the improved Commercial and Industrial properties.

Large Percent Change Areas

In an effort to address questions that you may have regarding areas and classes of properties that increased or decreased greater than 10%, I am proactively including explanations with this narrative. Below are areas that met this criteria:

TWP	Class	Prior Yr AV	Current Yr AV	Percent Change
Brazil	Com Vac	\$1,925,400	\$1,623,700	(-15.67%)
Parcel split to 11-01-32-200-186.001-002; total AV -\$340,330				
Brazil	Ind Imp	\$10,224,700	\$11,278,100	+10.30%
Added Imps from split of 11-01-32-200-186.000-002, added \$340,400; N/C on 11-01-29-300-016.000-001, added \$860,700				
Cass	Res Imp	\$6,908,100	\$7,809,000	+13.04%
Area reviewed and multiple corrections of omitted property; 11-05-22-200-001.001-003 had N/C totaling \$97,400; 11-05-32-400-003.001-003 was a split w/ N/C totaling \$133,200				
Cass	Res Vac	\$99,900	\$86,600	(-13.31%)
Due to new construction from vacant parcels, value decreased				
Harrison	Com Vac	\$261,600	\$101,700	(-61.12%)
Parcel 11-10-30-300-014.000-005 was an imp parcel; imp removed and land changed to undev; decreased \$159,900				
Harrison	Res Vac	\$720,100	\$599,800	(-16.71%)
11-11-15-100-002.000-005 was an improved parcel; imp moved to 11-11-15-100-002.001-005; decreased \$114,300				
Jackson	Com Imp	\$5,373,300	\$6,007,100	+11.80%
11-04-31-200-007.000-007 is N/C that was 60% complete; now 100% complete; increased \$526,500				
Sugar Ridge	Res Imp	\$28,405,900	\$33,613,500	+18.33%
Area reviewed and multiple corrections of omitted property; Added N/C etc				
Sugar Ridge	Res Vac	\$971,200	\$802,500	(-17.37%)
Due to new construction from vacant parcels, value decreased				

TWP	Class	Prior Yr AV	Current Yr AV	Percent Change
Van Buren	Com Vac	\$223,400	\$144,200	(-35.45%)
11-01-28-400-101.000-019 was an imp parcel, now vac; decreased \$33,200; 11-01-33-200-027.000-018 was imp, now vac; decreased \$46,000				
Van Buren	Res Vac	\$1,526,100	\$1,343,100	(-11.99%)
11-01-06-400-044.000-016 had the imp split to parcel 11-01-06-400-044.002-016; decreased \$132,200				

Summary

All residential neighborhoods were reviewed and trending factors were applied accordingly.

We have included an explanation of sales that were originally submitted as valid and later deemed invalid. In addition, we included an explanation of sales that were originally deemed invalid and later deemed valid.

If you have any questions, please contact me.

Respectfully,

William A. Birkle, AAS
Tyler Technologies

cc: Jill Bennett, Clay County Assessor